

*Legislation includes mortgage reform and anti-predatory lending provisions written by McNerney*

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Washington, D.C. – Legislation to reform Wall Street and crack down on abuse in the financial system that led to the economic crisis was signed into law today, including two provisions authored by Congressman Jerry McNerney (CA-11). The new law will help stop risky financial practices, offer new protections to American consumers, and help make sure that Americans taxpayers will never again bail out Wall Street banks.

“Reforming the way Wall Street works and cracking down on the risky practices that brought about the economic crisis is critically important,” said Rep. McNerney. “It’s just not right that American taxpayers should suffer as a result of Wall Street’s abuse of the financial system. This law sets in place commonsense rules that will help prevent another financial meltdown and protect consumers.”

The new law will create the Consumer Financial Protection Bureau (CFPB), which will be charged with making sure that bank loans, mortgages, and credits cards are fair and affordable for American families and small businesses. The CFPB will also help prevent practices such as hidden credit card fees and other deceptive “fine print” provisions.

The Wall Street reform law includes important mortgage reform and anti-predatory lending provisions authored by Congressman McNerney. The first provision authored by Congressman McNerney empowers the Secretary of Housing and Urban Development (HUD) to give priority consideration to areas with high foreclosure rates when allocating funds to HUD-approved counseling agencies. The second provision ensures that mortgage lenders include contact information for HUD-approved counseling agencies on each billing statement. These provisions were first offered last year by Congressman McNerney as amendments to H.R. 1728, the Mortgage Reform and Anti-Predatory Lending Act, which was incorporated into the legislation signed into law today.

“The communities I represent have been particularly hard hit by the foreclosure crisis,” said Rep. McNerney. “I’ve held a number of local foreclosure prevention workshops with counselors from approved agencies. I know how important they are as a source of unbiased information for borrowers. These provisions will help ensure that the areas hardest hit by foreclosures are prioritized for resources and that borrowers have easily accessible information on how to contact an approved housing counselor.”